

MINUTES
Highway Expansion and Extension Loan Program
Advisory Committee Telephone Conference Call Meeting
February 4, 2004

Committee Members Attending by Phone:

John McGee, Chair (for Mr. Mendez)	David Felix
Cliff Potts	Jim Glock
Paul Schwartz	Bill Beyer

Members Absent:

Victor Mendez	Tami Ryall
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Others Present:

John Fink, ADOT	Val Carrola, ADOT
Steve Schaefer, ADOT	

Call to Order

The meeting was called to order by John McGee at 1:30 p.m. A quorum was present.

Action: A motion to approve the Minutes of the November 7, 2003 meeting was made by Mr. Schwartz, seconded by Mr. Glock and passed unanimously.

Prior Business

None

New Business

Cash/Loan Status Report

John Fink reviewed the December 2003 HELP Fund Cash Status and Loan Status reports. Mr. Fink also noted that the HELP audit for the fiscal year ended June 30, 2003 was distributed to members.

In response to a question from Mr. Glock, Mr. Fink explained that the HELP audit is conducted annually, however, two years of financial statements are presented for comparison. He said that projects have to be eligible under Title 23, but that projects funded with recycled federal funds do not have to follow federal requirements. Mr. McGee noted that the auditors periodically conduct a separate audit that addresses how federal funds are used by the department.

Consideration of Loan Application

Mr. Schaefer presented a \$5 million loan application for the Town of Oro Valley to be used to extend La Canada Drive from Tangerine to Moore Road. He explained that La Canada Drive will be constructed as a four-lane median divided arterial with bike lanes, multi-use lanes and turn lanes as needed. Noise mitigation and public art will also be included in the project. The total cost of the project is \$6.4 million, with \$1,361,000 funded through impact fees.

Mr. Schaefer confirmed for Mr. McGee that the project meets federal eligibility requirements. Mr. Glock noted that the road has been designated as an urban/minor arterial. He said that funds are programmed in FY 2007 and 2008, utilizing HURF exchange funds to repay the loan.

Mr. Beyer questioned Oro Valley's ability to collect sufficient impact fees to cover the interest payments on the loan. Mr. Schaefer noted that two large residential developments are being constructed and are expected to add 13,000 residents to the town. Mr. McGee said that the department always has the ability to intercept HURF funds to repay the loan.

Action: A motion to approve the Application and Loan Repayment Agreement for the Town of Oro Valley, La Canada Drive Extension, was made by Mr. Glock, seconded by Mr. Beyer and passed unanimously.

Mr. McGee reported that this loan application will be presented at the Board's February meeting.

Next Regular Meeting

Mr. Fink noted that no applications are under consideration at this time and suggested waiting to schedule the next meeting until there are applications to consider. Mr. Glock stated that two candidate projects in Tucson totaling about \$30 million have been identified and applications may be submitted in the near future.

Call to the Public

No comments were made.

Adjourn

There being no further business, the meeting was adjourned at 2:00 p.m.

John McGee, Chair